

EXHIBIT 1

INTRODUCTION

Respondent TransCore, Inc. is a national ground transportation services company headquartered in Pennsylvania, and was a registered lobbyist employer in 1999. As a registered lobbyist employer, Respondent failed to timely file a quarterly lobbyist employer report for the period October 1, 1999 through December 31, 1999. This matter came to the attention of the Enforcement Division as a result of a referral from the Office of the Secretary of State.

For the purposes of this stipulation, Respondent's violation of the Political Reform Act (the "Act")¹ is stated as follows:

Respondent TransCore, Inc. failed to timely file a Report of Lobbyist Employer (Form 635) for the quarter ending December 31, 1999, by the January 31, 2000 due date, in violation of Section 86117, subdivision (a).

SUMMARY OF THE LAW

An express purpose of the Act, as set forth in Section 81002, subdivision (b), is to ensure that the activities and finances of lobbyists are disclosed, so that improper influences are not directed at public officials. To that end, the Act requires registration and reporting by individuals and entities that make or receive payments for the purpose of influencing decisions of the State Legislature and state administrative agencies, as specified in the lobbying provisions that are contained in Sections 86100 through 86300.

One feature of the lobbyist reporting system, found at Section 86116, is that any person who qualifies as a "lobbyist employer" is required to file periodic reports containing information about the lobbying activities being conducted on behalf of the lobbyist employer. Under Section 82039.5, a person, other than a lobbying firm, qualifies as a "lobbyist employer" if the person either: (a) employs one or more lobbyists, for economic consideration, for the purpose of influencing legislative or administrative action; or (b) contracts for the services of a lobbying firm, for economic consideration, for the purpose of influencing legislative or administrative action.

Section 86117, subdivision (a), provides that the periodic reports required by Section 86116 must be filed by the end of the month following each calendar quarter.² Section 86118 requires that the periodic reports of lobbyist employers shall be filed with the Secretary of State.

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

² Regulation 18116 dictates that if the last day of the month falls on a Saturday, Sunday, or official holiday, the filing deadline is extended to the next regular business day.

SUMMARY OF THE FACTS

Respondent TransCore, Inc., a company headquartered in Pennsylvania, was a registered lobbyist employer in 1999. As a lobbyist employer, Respondent was required to file a fourth quarter 1999 lobbyist employer report by January 31, 2000 for the reporting period October 1, 1999 through December 31, 1999. Respondent did not file the lobbyist employer report by the January 31, 2000 due date, in violation of Section 86117, subdivision (a).

On April 28, 2000, Caren Daniels-Meade, Chief of the Political Reform Division of the Office of the Secretary of State, sent a letter to Respondent, informing Respondent that its fourth quarter 1999 lobbyist employer report was past due. Upon receiving no response to this letter, on June 21, 2000, Ms. Meade sent a second letter to Respondent, informing Respondent that the fourth quarter 1999 lobbyist employer report remained past due. When Respondent did not reply to the second notification, on October 3, 2001, Ms. Meade referred the matter to the Enforcement Division of the Fair Political Practices Commission.

On November 20, 2001, Political Reform Consultant Linda Moureaux of the Enforcement Division contacted a representative of Respondent by telephone, regarding the delinquent lobbyist employer report. Respondent, however, still did not file the lobbyist employer report in response to the call from Ms. Moureaux. On March 7, 2002, Investigator Charlie Bilyeu contacted the same representative of Respondent that Ms. Moureaux contacted, and advised the representative to file the lobbyist employer report. On March 29, 2002, Respondent finally filed the fourth quarter 1999 lobbyist employer report for the reporting period October 1, 1999 through December 31, 1999. According to the report, during the fourth quarter of 1999, Respondent paid \$21,223 to the Sacramento-based lobbying firm, Smith and Kempton, to influence legislative and administrative activity.

CONCLUSION

This matter consists of one count of violating Section 86117, subdivision (a), which carries a maximum possible administrative penalty of Two Thousand Dollars (\$2,000). As Respondent disregarded several notifications regarding the delinquent lobbyist employer report, and spent a significant sum of money during the reporting period covered by the report, the facts of this case justify imposition of the agreed upon penalty of Two Thousand Dollars (\$2,000).